

## JOINT DECLARATION

### LISBON STRATEGY – MIDTERM REVIEW

*“The Lisbon Strategy needs a new dynamism. Therefore political commitment is necessary. The year 2005 is a moment of truth. In hard times, policymakers have to make courageous choices. “First things first” is the message. Economic growth and the competitiveness of European companies are for the benefit of the future of our children.”*

The two Employers organisations FEB and SEV believe that the Lisbon Strategy needs a new dynamism. Many Member States, including Belgium and Greece, are falling behind in their timetable for the Strategy. Consequently, an in-depth evaluation must be undertaken at the Spring European Council in March 2005, which is responsible for a midterm review of the Strategy. The weak results achieved to date can't be entirely attributed to poor economic growth or EU enlargement. They are primarily a result of the lack of structural reforms at national level. Political commitment is necessary. Therefore, the mid-term review of the Lisbon Strategy must induce Belgium and Greece to not waste any more time and to convert its commitments made in connection with the Strategy into concrete action.

The two Federations are convinced that the aim of the Lisbon Strategy to make Europe the world's most competitive and dynamic knowledge-based economy by 2010 remains *the* project for the future of our continent. They think that economic growth, higher levels of employment and an increase in productivity are essential conditions for achieving progress towards social cohesion and environmental protection. Emphasis should be placed on developing a knowledge-based society, completing the internal market, liberalising network and other industries and creating a better business climate. This will require, in particular, an improvement of the quality of legislation, structural social reforms and a realistic approach of environmental protection. Priorities and timetables must be fixed for each of these areas. The year 2005 is definitely a moment of truth and a “First things first”-approach will be indispensable in the policy of Europe and its Member States. In hard times, policymakers should be urged to make courageous choices.

In addition to refocusing on these action priorities, FEB and SEV believe that it is essential to improve the way in which the Lisbon Strategy has been managed since 2000. They request that the aims pursued are made more focused overall in order to speed up the implementation of the Strategy at national level. Good practices of Member States taking action on the Strategy should be put forward as an example for other countries. They also

insist on the need to guarantee better transposition of European directives and to improve convergence of various processes already underway as well as the quality of their evaluation.

The two federations are convinced that in the future an increased economic potential can be obtained if the emphasis is put on the achievement of the Lisbon objectives. The business world can take initiatives to promote the setting up of national action plans for implementing the Lisbon goals for competitiveness. Such plans should have as main objective the implementation of a package of specific reforms that enhances competitiveness. Herewith the governments and authorities should show their commitment to support entrepreneurship.

They also call for the strengthening of the horizontal role of the Competitiveness Council.

Finally, FEB and SEV believe that the sluggishness in implementing the Lisbon agenda can, to a certain extent, be explained by the public's lack of knowledge about the aim being pursued and a very cautious attitude towards planned structural reforms. Therefore public information campaigns need to highlight the fact that the Strategy's primary aim is to modernise our society in order to face the challenges of an ageing population. The benefits of economic growth and the competitiveness of European companies for job creation as well as social and environmental progress should also be stressed. Furthermore the internal market needs to be completed to the benefit of both consumers and enterprises, whether they purchase or export goods and services. Audiovisual media should explain the Lisbon Strategy to the people in an understandable language.

Therefore, FEB and SEV declare herewith that they will urgently request their Governments to bring the Lisbon Strategy into action on the national level.

Done in duplicate in Brussels on February 2<sup>nd</sup>, 2005.